

GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Handlooms and Textiles - National Co-operative Development Corporation - Sanction of an amount of Rs.90.00 lakhs comprising of Rs.72.00 Lakhs as loan and Rs.18.00 Lakhs as subsidy towards Margin Money Assistance to Sri Malleswara Silk Weavers Cooperative Production & Sales Society Ltd., (CSR No.11,) C. Rajupalem, Y.S.R. District - Accorded - Orders -Issued.

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INDUSTRIES AND COMMERCE (TEX) DEPARTMENT

G.O.Rt.No. 115

Dated:28-02-2012

Read the following:-

1. From the Director of Handlooms & Textiles and Development Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad, Lr.Rc.No.11601/ 2010-K2, dt. 05.10.2010.
2. Government of Andhra Pradesh, Lr.No. Letter No.14964/Tex.2/2010- Dated: 14 -11-2011.
3. From the Managing Director, NCDC, Lr.No.NCDC:4-6/2011-Text (HLM)/220(SA10142), dated 13-12-2011.
4. From the Commissioner of Handlooms & Textiles and Commissioner, Apparel Export Parks, Andhra Pradesh, Hyderabad (FAC), Lr.Rc.No.11601/2010-K2, dt. 27-12-2011
5. G.O.Rt.No.308, Finance (Exp.I&C) Department, 31-01-2012.

ORDER:-

In the reference 1st read above, the Director, Handlooms & Textiles and Development Commissioner for Apparel Export Parks, Andhra Pradesh, Hyderabad has forwarded an application along with project reports in respect of Sri Malleswara Silk Weavers Cooperative Production & Sales Society Ltd., (CSR No.11,) C. Rajupalem, Y.S.R. District has requested to consider and release an amount of Rs.98.00 Lakhs as Margin Money Assistance under National Co-operative Development Corporation Scheme.

2 In the reference 2nd read above, while recommending the loan application of Sri Malleswara Silk Weavers Cooperative Production & Sales Society Ltd., the National Co-operative Development Corporation, New Delhi was requested to consider the proposal as per the terms and conditions.

3. In the reference 3rd read above, the Managing Director, National Co-operative Development Corporation, New Delhi has conveyed the sanction of Financial Assistance of Rs.90.00 lakhs, comprising of Rs.72.00 lakhs as loan and Rs.18.00 lakhs as subsidy (subject to availability of subsidy from Government of India) to the Government of Andhra Pradesh towards Margin Money assistance to Sri Malleswara Silk Weavers Cooperative Production & Sales Society Ltd., (CSR No.11,) C. Rajupalem, Y.S.R. District, Andhra Pradesh, provided the NCDC's loan component of assistance to the Society is in the form of share capital or loan and subsidy component in the form of subsidy and subject to the following conditions:-

- (i) that the society shall furnish to the Corporation such returns, statements of accounts and other information, as may be prescribed or called for by the Corporation from time to time;
- (ii) that the society shall allow and afford facilities to the officers of the Corporation or any other person or persons nominated by it in this behalf to verify and inspect its books of accounts and other records; and
- (iii) that the society shall make arrangements to the satisfaction of the Corporation for the appointment of suitable administrative and technical/ senior personnel for the business of the society.

(PTO)

4. The repayment schedule to the above sanction is for a period of 5 years and shall be recoverable in 5 annual equal installments along with interest; loan instalment will commence from the 1st anniversary of the deemed date of drawal of loan along with interest. There will be no moratorium on repayment of loan and on payment of interest. The interest shall be levied at the rate prevailing at the time of actual release of funds and the present effective rate is 12.75%. In case of payment of instalment is not received on or before due date, normal rate (effective + 1%) would be applicable. In case of default in payment of instalment, penal interest @ 2.5% over and above the normal rate of interest shall be charged on the defaulted instalment for the period of delay. The other terms and conditions of the Corporation shall be according to NCDC Ir.No. NCDC:1-1/84-Budt, dated 15.10.1984 and No. NCDC:1-1/1990-Budt, dated 01-08-2011 and as amended from time to time.

5. The above loan assistance can be foreclosed and the loan assistance recovered from the Society concerned, if :-

- (i) it is not utilized for the purpose for which it has been sanctioned;
- (ii) the society fails to furnish the returns, statement of accounts and other information as may be prescribed or called for by the Corporation from time to time; and
- (iii) if any of the other conditions are not fulfilled.

6. The sanction is valid up to 30.06.2012, by which date the State Government shall provide full assistance to the Society and claim reimbursement from the National Co-operative Development Corporation.

7. In the reference 4th read above, the Commissioner of Handlooms & Textiles and Commissioner, Apparel Export Parks, Andhra Pradesh, Hyderabad has informed that the President of the said society has requested for release of funds to enable them to increase looms & release of payments to the weavers towards wages and for purchase of yarn etc., and requested the Government to sanction and release an amount of Rs.90.00 lakhs (comprising of Rs.72.00 lakhs as loan and Rs.18.00 lakhs as subsidy) to Sri Malleswara Silk Weavers Cooperative Production & Sales Society Ltd., (CSR No.11,) C. Rajupalem, Y.S.R. District, under National Co-operative Development Corporation scheme of assistance, as per the terms of NCDC sanction letter.

8. In the reference 5th read above, the Finance (Exp.I&C) Department have issued Budget Release Order for an amount of Rs.191.00 lakhs towards loan and subsidy, including Sri Malleswara Silk Weavers Cooperative Production & Sales Society Ltd., (CSR No.11,) C. Rajupalem, Y.S.R. District.

9. After careful examination of the matter and keeping in view of the Budget Release Order issued by the Finance Department in the reference 5th read above, the Government hereby decided **to sanction Financial Assistance** of an amount of Rs.90.00 lakhs (Rupees Ninty Lakhs only) comprising of Rs.72.00 lakhs as loan and Rs.18.00 lakhs as subsidy to Sri Malleswara Silk Weavers Cooperative Production & Sales Society Ltd., (CSR No.11,) C. Rajupalem, Y.S.R. District, as sanctioned by the NCDC, as per the terms of NCDC sanction letter and **to release** the amount accordingly, to enable the Society to increase looms & release of payments to the weavers towards wages and for purchase of yarn etc.

10. The loan amount of Rs.72.00 lakhs sanctioned as Margin Money Assistance by the National Co-operative Development Corporation, is subject to the conditions that the Society should strictly repay the instalments and the Commissioner of Handlooms, Textiles & Apparel Export Parks, Andhra Pradesh, Hyderabad / the Vice-Chairman & Managing Director, Andhra Pradesh State Handloom Weavers Co-operative Society Limited (APCO), Hyderabad shall maintain separate registers accordingly.

(Contd.....)

11. The expenditure sanctioned in para (9) shall be subject to the conditions stipulated by the National Co-operative Development Corporation, New Delhi, in the reference 3rd read above.

12. The expenditure of subsidy amount of Rs.18.00 Lakhs (Rupees Eighteen lakhs only) shall be debited to the following Head of Account:-

“2851 - Village and Small Industries
MH.103- Handloom Industries
11 - Normal State Plan
SH(38)- Financial Assistance for Handloom and Textile Promotion
310 - Grant-in-aid
312 - Other Grants-in-aid”

13. The expenditure of loan amount of Rs.72.00 (Rupees Seventy Two Lakhs only) shall be debited to the following Head of Account:-

6860 – Loans for consumer industries
01 – Textiles –
MH-101 – Loans to Cooperative Spinning Mills
G.H.10- Centrally Sponsored Schemes
S.H.05- Margin Money to Co-operative Spinning Mills
001- Margin Money to Cooperative Spinning Mills

14. The Deputy Secretary to Government, Finance (DCM) Department, Andhra Pradesh Secretariat, Hyderabad is authorized to draw & disburse the loan amount of Rs.72.00 Lakhs (Rupees Seventy Two Lakhs only) sanctioned in para (9) above by way of a cheque in favour of Commissioner of Handlooms, Textiles and Apparel Export Parks, Hyderabad to the Commissioner of Handlooms, Textiles & Apparel Export Parks, Hyderabad. The Commissioner of Handlooms, Textiles & Apparel Export Parks, Hyderabad shall furnish the Utilization Certificate within one month from the date of drawal of the amount to the Office of the Managing Director, National Co-operative Development Corporation (T-Series), New Delhi, under intimation to the Government.

15. The Commissioner of Handlooms, Textiles & Apparel Export Parks, Hyderabad / concerned Drawing & Disbursement Officer is authorized to draw the subsidy amount of Rs.18.00 Lakhs (Rupees Eighteen Lakhs only) sanctioned in para (9) above and disburse the same to the concerned by way of a cheque. The Commissioner of Handlooms, Textiles & Apparel Export Parks, Hyderabad shall furnish the Utilization Certificates within one month from the date of drawal of the amount to the Managing Director, National Development Corporation, New Delhi.

16. The Commissioner of Handlooms, Textiles & Apparel Export Parks, Hyderabad / Vice-Chairman and Managing Director, Andhra Pradesh State Handloom Weavers Co-operative Society Limited (APCO), Hyderabad shall deduct the loan instalment amount sanctioned above from the concerned Society and remit the same to the State Government Account, under Loan Receipt head, on due dates under intimation to the National Co-operative Development Corporation, New Delhi, as detailed below:-

0049- Interest receipts
04- Interest receipts of State Government
195- Interest from Co-operative Societies
SH-14 APEX & Primary Weavers Coop. Societies.

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17. This order issues with the concurrence of Finance (Exp.I&C) Department, vide their U.O.No.289/6/Exp.I&C(4&5)/2012,dated 01-02-2012, and vide Budget Release Order issued in G.O.Rt.No.308, Finance (Exp.I&C) Department, dated 31-01-2012.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

Dr. PREM CHAND
PRINCIPAL SECRETARY TO GOVERNMENT.

To
The Commissioner of Handlooms, Textiles & Apparel Export Parks, Hyderabad
The Assistant Secretary to Government, Finance (DMC) Department.
The Vice-Chairman and Managing Director,
Andhra Pradesh State Handloom Weavers Co-operative
Society Limited (APCO), Hyderabad.
The Managing Director,
National Co-operative Development Corporation (NCDC),
4, Siri Institutional Area, Hauz Khas, New Delhi.
The Chief Director, National Co-operative Development Corporation,
2nd Floor, HACA Bhavan, Opp. Public Gardens, Hyderabad.
The President,
Sri Malleswara Silk Weavers Cooperative Production & Sales Society Ltd.,
CSR No.11, C. Rajupalem , Y.S.R. District., through the Commissioner of
Handlooms, Textiles & Apparel Export Parks, Andhra Pradesh, Hyderabad
Copy to:
The Finance (Exp.I&C)Department
The Accountant General Andhra Pradesh, Hyderabad.
The Pay and Accounts Officer, Hyderabad.
The Director of Treasuries of Accounts, Andhra Pradesh, Hyderabad.
The P.S. to Principal Secretary to Chief Minister.
The P.S. to Principal Secretary to Government,
Industries and Commerce Department.
The Industries and Commerce (L&B) Department.
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// FORWARDED BY: ORDER//

SECTION OFFICER.